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Debra I. Grassgreen (CA Bar No. 169978)
John W. Lucas (CA Bar No. 271038)
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[Proposed] Counsel to the Official Committee of Unsecured
Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

THE ROMAN CATHOLIC ARCHBISHOP OF
SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No.: 23-30564

Chapter 11

**APPLICATION OF THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS FOR ORDER APPROVING
EMPLOYMENT OF PACHULSKI STANG
ZIEHL & JONES LLP AS COUNSEL TO
THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS**

[No Hearing Required]

The Official Committee of Unsecured Creditors (the “Committee”) of Roman Catholic Archbishop of San Francisco, the above-captioned debtor (the “Debtor”) submits its application (the “Application”) to employ Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”) as its counsel, effective as of September 14, 2023.

JURISDICTION AND VENUE

This Court has jurisdiction over this Application pursuant to 28 U.S.C. §§ 157 and 1334. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

The statutory predicate for the relief sought herein is section 1103 of Title 11 of the United States Code (the “Bankruptcy Code”).

BACKGROUND

On August 21, 2023 (the “Petition Date”), the Debtor commenced the above-captioned case by filing a voluntary petition for relief under chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of California, San Francisco Division (the “Court”). The Debtor is authorized to continue to operate its business and remain in possession of its property as a debtor in possession pursuant to section 1107(a) and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in this chapter 11 case.

On September 1, 2023, the United States Trustee appointed the Official Committee of Unsecured Creditors. The Committee consists of nine individuals who were sexually abused as minors by perpetrators for whom the Debtor was responsible. *See Appointment of Committee of Unsecured Creditors* [Docket No. 58].

On September 14, 2023, the Committee selected the Firm as its counsel.

APPLICATION TO RETAIN AND EMPLOY THE FIRM

By this Application, pursuant to section 1103 of the Bankruptcy Code, the Committee seeks to employ the Firm as counsel to the Committee, effective as of September 14, 2023, to perform the legal services set forth herein.

Pursuant to section 1103(b) of the Bankruptcy Code, an attorney employed to represent the Committee may not, while employed by such committee, represent any other entity having an adverse interest in connection with this case. 11 U.S.C. § 1103(b). The Firm has advised the Committee that the Firm does not represent any other entity having an adverse interest in connection with the Debtor or this case.

The Firm’s attorneys have extensive experience representing creditors’ committees, debtors, creditors, trustees, and others in a wide variety of bankruptcy cases. Notably, the Firm’s attorneys have unique experience representing 19 committees of childhood sexual abuse survivors in chapter 11 cases involving entities affiliated with the Roman Catholic Church, including: Diocese of Spokane (Washington); Diocese of Davenport (Iowa); Diocese of San Diego (California); Diocese of Fairbanks (Alaska); Diocese of Wilmington (Delaware); Society of Jesus, Oregon Province (a five state Province); Archdiocese of Milwaukee (Wisconsin); The Christian Brothers’ Institute; The

Christian Brothers of Ireland, Inc.; the Diocese of Gallup (New Mexico); the Roman Catholic Bishop of Helena (Montana); the Roman Catholic Bishop of Stockton (California); the Roman Catholic Bishop of Great Falls-Billings (Montana); Roman Catholic Church of the Archdiocese of Santa Fe (New Mexico); the Diocese of Rochester (New York); the Archdiocese of New Orleans (Louisiana); Diocese of Buffalo (New York); the Diocese of Rockville Centre (New York); and proposed counsel in the Diocese of Ogdensburg (New York). The Firm also has experience representing committees comprised of, or including, survivors of childhood sexual abuse and adult survivors of sexual abuse and harassment, including Boy Scouts of America, USA Gymnastics, Madison Boys & Girls Club, Inc., and The Weinstein Companies. Such experience makes the Firm highly qualified to represent the Committee in this case, and to maximize efficiency based on its experience with Roman Catholic dioceses, such as the Debtor.

Copies of the biographies of James I. Stang, Debra I. Grassgreen, Kenneth Brown, John Lucas and Brittany Michael of the Firm, who are the attorneys with primary responsibility for the Committee's representation, are attached as Exhibit A. The Firm's depth of experience in the areas of insolvency, Catholic entity reorganizations, and child sexual abuse-related bankruptcies makes it highly qualified to represent the Committee. Therefore, the Committee believes that the Firm's retention is in the best interest of the Debtor's unsecured creditors.

The Committee desires to retain PSZJ, at the expense of the Debtor's estate, to render professional services as required by the Committee, including, but not limited to, the following:

- assisting, advising and representing the Committee in its consultations with the Debtor regarding the administration of this case;
- assisting, advising and representing the Committee in analyzing the Debtor's assets and liabilities, investigating the extent and validity of liens or other interests in the Debtor's property and participating in and reviewing any proposed asset sales, any asset dispositions, financing arrangements and cash collateral stipulations or proceedings;
- reviewing and analyzing all applications, motions, orders, statements of operations and schedules filed with the Court by the Debtor or third parties, advising the Committee as to their propriety, and, after consultation with the Committee, taking appropriate action;
- preparing necessary applications, motions, answers, orders, reports and other legal papers on behalf of the Committee;

- representing the Committee at hearings held before the Court and communicate with the Committee regarding the issues raised, as well as the decisions of the Court;
- performing all other legal services for the Committee which may be necessary and proper in this case and any related proceeding(s);
- representing the Committee in connection with any litigation, disputes or other matters that may arise in connection with this case or any related proceeding(s);
- assisting, advising and representing the Committee in any manner relevant to reviewing and determining the Debtor's rights and obligations under leases and other executory contracts;
- assisting, advising and representing the Committee in investigating the acts, conduct, assets, liabilities and financial condition of the Debtor, the Debtor's operations and the desirability of the continuance of any portion of those operations, and any other matters relevant to this case;
- assisting, advising and representing the Committee in their participation in the negotiation, formulation and drafting of a plan of liquidation or reorganization;
- assisting, advising and representing the Committee on the issues concerning the appointment of a trustee or examiner under section 1104 of the Bankruptcy Code;
- assisting, advising and representing the Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- assisting, advising and representing the Committee in the evaluation of claims and on any litigation matters, including avoidance actions; and
- providing such other services to the Committee as may be necessary in this case or any related proceeding(s).

COMPENSATION AND REIMBURSEMENT OF EXPENSES

Subject to the applicable provisions of the Bankruptcy Code, the Committee proposes that the Firm be paid by the Debtor on an hourly basis using its regular hourly rates (as may be adjusted from time to time) and be reimbursed by the Debtor according to its customary reimbursement policies, *provided, however*, the Firm will discount its total fees to the lesser of the amount billed using regular hourly rates and a blended hourly rate of \$1,050. The Firm has represented to the Committee that Ms. Grassgreen, Mr. Stang, Mr. Brown, Mr. Lucas and Ms. Michael are the attorneys of the Firm currently expected to be principally responsible for this case, and their customary hourly rates are: James I. Stang (\$1,695); Debra Grassgreen (\$1,550); Kenneth Brown (\$1,525); John Lucas (\$1,150) and Brittany Michael (\$875). The Committee has been advised that the hourly rate for the paralegal assigned to this case is \$545.

1 The Firm has agreed to contribute ten percent of all fees received in this Case on a final basis
2 to a settlement trust that is approved as part of a plan of reorganization. As such fees are paid, the
3 funds will be held in a separate trust until a settlement trust is established through a plan of
4 reorganization.

5 The Firm's policy is to charge its clients in all areas of practice for all other expenses
6 incurred in connection with the client's case. The expenses charged to clients include, among other
7 things, telephone and telecopier toll and other charges, mail and express mail charges, special or
8 hand delivery charges, document retrieval, photocopying charges, charges for mailing supplies
9 (including, without limitation, envelopes and labels) provided by the Firm to outside copying
10 services for use in mass mailings, travel expenses, expenses for "working meals," computerized
11 research, transcription costs, as well as non-ordinary overhead expenses but not including secretarial
12 and other overtime. The Firm will charge the Committee for these expenses in a manner and at rates
13 consistent with charges made generally to the Firm's other clients, and all amendments and
14 supplemental standing orders of the Court. The Firm believes that it is more appropriate to charge
15 these expenses to the clients incurring them than to increase its hourly rates and spread the expenses
16 among all clients.

17 During these Cases, individual members of the Committee will incur out of pocket for
18 expenses related to their service for the Committee (any such expenses "Committee Members'
19 Expenses"). To alleviate any problems that may arise for Committee members on account of any
20 delay in seeking and obtaining reimbursement for such expenses, the Firm proposes to pay such
21 expenses directly or reimburse the Committee members for any such expenses and then add such
22 expenses to the Firm's invoices in this Case and it shall seek allowance of such expenses on the
23 same basis as other expenses incurred by the Firm in this Case.

24 The Firm has represented to the Committee and has stated in the *Declaration of John W.*
25 *Lucas in Support of Application of the Official Committee of Unsecured Creditors for Order*
26 *Approving Employment of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee*
27 *of Unsecured Creditors*, filed concurrently herewith (the "Lucas Declaration"), that (i) it will not
28 receive a retainer and (ii) it categorizes its billing into subject matter categories in compliance with


1 applicable guidelines, including the *United States Bankruptcy Court Northern District of California*
2 *Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees*. The Firm
3 understands that its compensation in these cases is subject to the applicable provisions of the
4 Bankruptcy Code.

5 To the best of the Committee's knowledge, based on representations in the Lucas
6 Declaration, except as stated in the Lucas Declaration, the Firm is "disinterested" in that it has no
7 connection with the Debtor, its creditors, any other party in interest herein, their respective attorneys
8 or professionals, the United States Trustee or any person employed in the Office of the United States
9 Trustee. As stated more fully in the Lucas Declaration, the Firm does not hold, or represent any
10 entity having, an adverse interest in connection with the Debtor or this case. The Firm does not
11 employ any person who is related to a judge of this Court. Accordingly, the Firm is qualified to
12 represent the Committee under section 1103 of the Bankruptcy Code.

13 **WHEREFORE**, the Committee requests that this Court approve the employment of
14 Pachulski Stang Ziehl & Jones LLP as counsel, effective as of September 14, 2023, to render
15 services as described above with compensation to be paid as an administrative expense at such times
16 and in such amounts as the Court may hereafter determine and allow under sections 507(a) and
17 503(b) of the Bankruptcy Code.

18 Dated: October 9, 2023

**OFFICIAL COMMITTEE OF UNSECURED
CREDITORS OF ROMAN CATHOLIC
ARCHBISHOP OF SAN FRANCISCO.**

19
20
21 By: 
Steven A. Moreno

22 Solely in his capacity as Co-Chair of the Official
23 Committee of Unsecured Creditors of the Roman
24 Catholic Archbishop of San Francisco

EXHIBIT A



10100 Santa Monica Blvd.
13th Floor
Los Angeles, CA 90067-4003

James I. Stang

Tel: 310.277.6910 | jstang@pszjlaw.com

EDUCATION

Franklin & Marshall College;
University of California at
Berkeley (B.A., with honors,
1977)

Hastings College of the Law,
University of California (J.D.
1980)

Order of the Coif

BAR AND COURT ADMISSIONS

1980, California

Mr. Stang, a founding partner of the firm, has dedicated the better part of his forty years' of restructuring practice to helping plaintiffs pursue their rights against institutions that file bankruptcy in an attempt to evade liability. He has represented close to twenty creditors' committees in recent mass tort chapter 11 cases, and is frequently called upon when the stakes are high, including Boy Scouts of America, Weinstein Company, Takata, USA Gymnastics, and seventeen chapter 11 cases involving the Roman Catholic Church. Mr. Stang has been featured in *The Wall Street Journal* for his work on behalf of victims.

Mr. Stang is a fellow of the American College of Bankruptcy, named in the Best Lawyers in America, and has been named "Super Lawyer" in the field of Bankruptcy & Creditor/Debtor Rights every year since 2005. He was listed by *Lawdragon* as one of the 2020 "Lawdragon 500 Leading Global Restructuring & Insolvency Lawyers." He holds an AV Peer Preeminent Rating, Martindale-Hubbell's highest recognition for ethical standards and legal ability. He has lectured and written extensively on both bankruptcy and receivership issues. Mr. Stang is a graduate of UC Berkeley and received his J.D. from UC Hastings College of Law, where he was editor in chief of *Hastings International and Comparative Law Review*. Mr. Stang is admitted to practice in California, and is resident in our Los Angeles office.

Representations

Tort litigants' committees in the chapter 11 cases of the Catholic Diocese of Spokane (Washington) and the Diocese of Davenport (Iowa); creditors' committees in the chapter 11 cases of the Roman Catholic Bishop of San Diego, the Catholic Diocese of Fairbanks (Alaska), the Catholic Diocese of Wilmington (Delaware), the Society of Jesus, Oregon Province, the related cases of The Christian Brothers of Ireland, Inc. and The Christian Brothers Institute, the Archdiocese of Milwaukee, the Roman Catholic Church of the Diocese of Gallup (New Mexico), the Roman Catholic Bishop of Helena (Montana), the Roman Catholic Bishop of Stockton (California), the Roman

Catholic Bishop of Great Falls (Montana), the Roman Catholic Church of the Archdiocese of Santa Fe (New Mexico), the Diocese of Rochester (New York), the Diocese of Buffalo (New York), the Roman Catholic Church for the Archdiocese of New Orleans

Creditors' committee in Weinstein Company Holdings

Abuse survivors' committees in USA Gymnastics, Boy Scouts of America, Madison Square Boys & Girls Club

Subcommittee of employee organizations in Orange County chapter 9 case

Chapter 11 debtors in American Suzuki Motor Corporation; Gateway Educational Products (manufacturer of "Hooked on Phonics"); American Tissue; Chippendales; Inacom Corporation; Rhodes Homes; Sizzler Restaurants International; Superior TeleCom

Bankruptcy counsel for the Tobacco Committee of the National Association of Attorneys General

Receiver appointed for various car dealerships (Nissan, Porsche, Audi, Toyota)

Professional Affiliations

"Bankruptcy Lawyer of the Year," Century City Bar Association (2010)

Fellow, American College of Bankruptcy

Member, Los Angeles Bankruptcy Forum Board of Directors (ex officio)

Publications

Your Client Filed for Bankruptcy: What Now?
Plaintiff Magazine, June 2023

"Boy Scouts Victims Urge Judge to Release Names of Abusers" (*Bloomberg*, February 19, 2020)

"Veteran of Catholic Chapter 11s Represents Weinstein Victims" (*Wall Street Journal*, April 08, 2018)

"Weinstein Creditors Hire Firm That Represented Catholic Church Abuse Victims" (*Variety*, March 30, 2018)

James Stang Articles (*National Catholic Reporter*)

Dollar Signs of the Cross (*UC Hastings Law*, September 9, 2015)

"An Unholy Dispute" (*Los Angeles and San Francisco Daily Journal*, October 02, 2007)

"Assumption of Contracts and Leases: The Obstacle of the Historical Default," 24 *California Bankruptcy Journal* 39 (1998)(addressing "going dark" provisions of car dealership agreements)



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Debra Grassgreen

Tel: 415.217.5102 | Tel: 415.263.7000 | dgrassgreen@pszjlaw.com

EDUCATION

University of Florida (B.S.
B.A. 1988; Outstanding
Female Graduate)

University of Florida (J.D.,
with honors, 1991)

BAR AND COURT ADMISSIONS

1992, Florida

1994, California

Debra Grassgreen, immediate past president of the International Insolvency Institute, is a senior partner in Pachulski Stang Ziehl & Jones' San Francisco office and chairs the firm's international insolvency practice. She has significant experience representing debtors, trustees, and creditors' committees in large and complex chapter 11 cases nationwide and internationally in the technology, media, telecommunications, and life sciences industries both in and out of court. Some of her more notable engagements include representing solar power manufacturer Solyndra, American Suzuki Motor Corporation, Mesa Airlines, and the creditors (including abuse survivors) in the Weinstein Company chapter 11 case. In addition, Ms. Grassgreen has represented high profile individuals, including boxer Mike Tyson and singer Toni Braxton, among others.

Ms. Grassgreen, an American College of Bankruptcy Fellow, has held a variety of leadership positions in prestigious insolvency organizations including the International Women's Insolvency & Restructuring Confederation and the American College of Bankruptcy, chairing its Insolvency Committee and, currently, is its 9th Circuit Regent. For the past ten years, she has participated in the United Nations Commission on International Trade Law's Working Group V and its expert group meetings as an NGO delegate. She is widely regarded as a leading expert on cross border restructuring matters and frequently speaks and writes on cross border matters and others.

Ms. Grassgreen has garnered several accolades for her work in the insolvency arena. Last year, the *Los Angeles and San Francisco Daily Journal* named Ms. Grassgreen to its list of "Top Bankruptcy Lawyers" in California and, for several years, has listed Ms. Grassgreen as one of its "Top Women Lawyers." In 2021, the International Women's Insolvency and Restructuring Confederation selected her as its 2021 "Woman of the Year in Restructuring." She holds *Chambers USA's* highest rank (Band 1) in Bankruptcy/Restructuring and *Martindale-Hubbell's* highest recognition for ethical standards and legal ability (AV Preeminent). She is listed in *Who's*

Who Legal: Thought Leaders—Global Elite; Lawdragon as one of its 2023 and 2022 “500 Leading U.S. Bankruptcy & Restructuring Lawyers” and one of its 2020 “500 Leading Global Restructuring & Insolvency Lawyers;” and in “Best Lawyers in America” (every year since 2001) for her work in both Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law and Litigation - Bankruptcy.

Ms. Grassgreen is a graduate of the University of Florida, where she also received her J.D., and is admitted to practice in Florida as well as California.

Representations

Debtors/trustees: Watsonville Hospital; MobiTV; Solyndra LLC; American Suzuki Motor Corporation; Blue Earth; APVO; Tintri; New Zoom; Ultura (APTwater Rochem); Airxpanders; Select Staffing; Exigen (USA); Digital Domain Media; Highway Technologies; Global Aviation (cocounsel); Mesa Air Group; MagnaChip Semiconductor; Dunmore Homes; Woodside Homes; Webvan Group; Pacific Crossing Limited (subsidiary of Global Crossing); RBX Industries; Laura West Enterprises; Clarent Corporation; Breed Technologies; TCW/Camil Holdings; Sleepmaster Corporation; Sizzler International; Fresh Choice; Tri-Valley Growers; Dana Corporation (cocounsel); Le-Nature's; Crown Paper; Mike Tyson; Toni Braxton; Ronald Isley

Creditors' committees: Professional Financial Investors; Chinos Holdings (J. Crew Group); EP Energy; The Weinstein Company; Open Road Films; Payless Holdings (2017); Payless Holdings (2019); Zetta Jet; BCBG Max Azria; SFX Entertainment; RDIO, Inc.; BR Festivals; Twenty First Century Film Corporation; Death Row Records/Marion "Suge" Knight; Flying J; Trident Microsystems (Far East) Ltd; LandSource Communities Development; Chrysler (cocounsel); SK Foods; Frank Parsons International

Tort claimants' committee in Boy Scouts of America

Lenders/investors/creditors in Videology (Group M); Ciber (Zayo); Baupost (PG&E); Stion (Khosla Ventures); Quirky Inc. (KleinerPerkins, A16, Norwest); Nirvanix; KiOR (Khosla Ventures); PacWest Telecom (CVC)

Out-of-court workouts: International bioengineering firm; Israeli solar developer; Spanish & US-based wind developer; provider of end-to-end mobile media solutions; solar module manufacturer Amonix; numerous venture-backed technology companies

Other: Counsel to Uber Technologies; counsel to PharmaTop, creditors' committee chair in Mallinckrodt LLC; counsel to former San Francisco Mayor Art Agnos as receiver of the SF Housing Authority

Professional Affiliations

President, International Insolvency Institute (2019-)

Executive vice president, International Insolvency Institute (2017-2019)

Fellow, American College of Bankruptcy (Chair, International Committee, 2022-)

Board of directors, American College of Bankruptcy Foundation (2013-2016)

Member, Advisory Committee of the American Bankruptcy Institute
Commission to Study the Reform of Chapter 11

Board of directors, International Women's Insolvency & Restructuring
Confederation ("IWIRC")(2010-2014)

IWIRC delegate to UNCITRAL

Member, International Bar Association

Programs and Lectures

Practicing Law Institute (standing faculty); American Bankruptcy Institute;
Turnaround Management Association; State Bar of California; Beverly Hills
Bar Association; American Bar Association; Bar Association of San
Francisco; University of Florida College of Law; California Continuing
Education of the Bar; Association of Insolvency and Restructuring
Accountants; International Council of Shopping Centers, International
Insolvency Institute, INSOL, UNCITRAL

Publications

The Use of Mediation to Improve Global Restructuring Outcomes in a Post-
Pandemic World

Global Restructuring Review (GRR), September 10, 2021

First Day Motions (3d ed.)

A Guide to the Critical First Days of a Bankruptcy Case
American Bankruptcy Institute, June 2012

Valuation and the Chapter 11 Process

Contested Valuation in Corporate Bankruptcy: A Collier Monograph
(LexisNexis), 2011

Individual Chapter 11 Cases After BAPCPA

What Happened to the "Fresh Start"?

2006 Annual Survey of Bankruptcy Law 309 (West 2006), 2006

Coauthor with M. Litvak: *First Day Motions: A Guide to the Critical First Days
of a Bankruptcy Case* (ABI 2d ed. 2006)(sole author of 1st ed. 2003)

Coauthor with P. Egan: "Valuation and the Chapter 11 Process" in *Contested
Valuation in Corporate Bankruptcy - A Collier Monograph* (LexisNexis 2011)

Author: "Individual Chapter 11 Cases After BAPCPA: What Happened to the
"Fresh Start?" 2006 *Annual Survey of Bankruptcy Law* 309 (West 2006)

"Property of the Estate," in *Understanding the Basics of Bankruptcy &*

Reorganization 2005, 880 PLI/Comm 145 (2005)

"Sale of Assets," in *Understanding the Basics of Bankruptcy & Reorganization 2005, 880 PLI/Comm 249 (2005)*

"Rejection, Assumption and Assignment of Real Estate Leases Generally," in *Impact of Bankruptcy on Real Property Transactions* (Cal. Cont. Ed. of the Bar 2003)



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Kenneth H. Brown

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EDUCATION

University of California at
Santa Barbara (B.A., with
high honors, 1977)

Hastings College of Law,
University of California (J.D.
1981)

BAR AND COURT ADMISSIONS

1981, California

Mr. Brown has extensive experience in bankruptcy and commercial litigation. He has represented and advised debtors, unsecured creditors, secured creditors, insurers, creditors' committees, and trustees in large complex chapter 11 and chapter 15 cases and in related litigation in both state and federal court. Mr. Brown leads the firm's litigation team in representations of the sex-abuse survivor committees in the chapter 11 bankruptcy cases involving the Roman Catholic Church. These matters involve the intersection of the First Amendment and the Religious Freedom Restoration Act ("RFRA") with Bankruptcy Code and focus on recovering assets transferred by the debtor prior to filing bankruptcy as part of asset protection scheme to protect the assets from the claims of the victims of sex abuse. The representations also require expertise in identifying, analyzing, and prosecuting claims against the management of the debtor for allowing or facilitating the sexual misconduct and abuse. Mr. Brown led the team that obtained a judgment in one of these cases worth in excess of \$100 million. Mr. Brown also specializes in defending employers in WARN Act class-action litigation and advising them on the intersection of the WARN Act and bankruptcy. Mr. Brown also has extensive experience representing professional firms and their principals in dissolutions and bankruptcies.

He is a graduate of U.C. Santa Barbara and received his J.D. at Hastings College of the Law, where he was articles editor for the *Hastings Law Journal*. Mr. Brown is a former director of the Bay Area Bankruptcy Forum, a former member of the State Bar of California Business Law Section Subcommittee on Debtor/Creditor Relations and Bankruptcy, and frequently serves as a mediator for the Bankruptcy Dispute Resolution Program for the Northern District of California and the San Francisco Bar Association. He holds an AV Preeminent Peer Rating, Martindale-Hubbell's highest recognition for ethical standards and legal ability. He has been listed in every edition of *Best Lawyers in America* since 2018 for his work in Bankruptcy and Creditor Debtor Rights / Insolvency and Reorganization Law and Litigation - Bankruptcy. Mr. Brown is admitted to practice in California and is resident in our San Francisco office.

Representations

Law firm bankruptcies: Brobeck, Phleger & Harrison; Heller Ehrman, Landels Ripley & Diamond

Creditors' committees in Boy Scouts of America; TK Holdings Inc. (Takata Americas); The Weinstein Company ; USA Gymnastics

Committees in Catholic church bankruptcies: Christian Brothers Institute; Archdiocese of Santa Fe; Archdiocese of Milwaukee; Catholic Diocese of Fairbanks; Catholic Diocese of Wilmington; Diocese of Great Falls; Roman Catholic Diocese of Rochester; Roman Catholic Diocese of San Diego

Cross-border case: Katsumi Iida

Professional Affiliations

Director, Bay Area Bankruptcy Forum (2001-)

Mediator, San Francisco Bar Association, Early Settlement Program (1997-2003)

Bankruptcy Dispute Resolution Program, United States Bankruptcy Court for the Northern District of California (1994-)

Member, State Bar of California Business Law Section Debtor/Creditor Committee (1999-2002)

Programs and Lectures

Lecturer, American Bankruptcy Institute; Association of Insolvency & Restructuring Advisors; Bar Association of San Francisco; Santa Clara County Bar Association

Publications

The Estate's Potential Claims Against Management for Failure to Prevent Sexual Misconduct

356 American Bankruptcy Trustee Journal 30 (No. 3 Summer 2019), September 2019

Stranger in Paradise? The Role of a Foreign Bankruptcy Trustee in Chapter 15

27 ABI Journal No. 3 at 26 (April 2008), April 2008

"Discovery in Debt Collection Actions," in *Debt Collection Practice in California* (2d ed. 2000)

"Tenants in Distress: Pitfalls and Opportunities for the Retail Landlord," *Shopping Center Business* (1998).

"Law Firm Break-Ups and Bankruptcies," 3 *Legal Malpractice Report* (No. 2 1992)

Co-author, "Dissolutions of Professional Firms Under State Law," in program materials for the Third Annual Northwest Bankruptcy Institute (1989)



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John W. Lucas

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EDUCATION

University of California at
Los Angeles (B.A. *magna
cum laude*, 1992)

University of Oregon School
of Law (J.D. 2004)

BAR AND COURT ADMISSIONS

2010, California

2005, New York

CLERKSHIPS

Law clerk, Judge Robert D.
Drain (Bankr. S.D.N.Y.
2004-06)

Mr. Lucas represents debtors, creditors' committees, creditors, and trustees in chapter 11 cases and companies in out-of-court restructurings with an emphasis on transportation, financial products, food services, retail, automotive, and technology. Mr. Lucas is a graduate of the University of California at Los Angeles and received his J.D. from the University of Oregon School of Law and was a member of the *Oregon Law Review*. Mr. Lucas is admitted to practice in California and New York and is resident in our San Francisco office.

Representations

Chapter 11 debtors: Sedgwick LLP; Kona Grill; Barfly Ventures; Tintri Inc.; A. M. Castle & Co.; Blue Earth; NewZoom Inc.; Response Genetics; Tri-Valley Learning Corporation; Elephant Bar Restaurants; Z'Tejas Restaurants; Highway Technologies; American Suzuki Motor Corporation; Global Aviation; Mesa Airlines; Lehman Brothers Holdings; Champion Enterprises; Heller Ehrman LLP; Lexington Precision; Silicon Graphics

Chapter 11 creditors: Cottonwood Cajon in Premier Golf Properties; Lehman Commercial Paper Inc. and Lehman ALI Inc. in Palmdale Hills Property LLC ("SunCal"); indenture trustee in Calpine; bondholders in Portrait Corporations of America

Creditors' committees: Boy Scouts of America; Uni-Pixel; Rdio Inc.; Yellow Cab of San Francisco; Champps/Fox & Hound Restaurants; Trident Microsystems (Far East) Ltd.

Trustees: Yashouafar; Evergreen International Aviation; Exigen (USA)

Section 363 asset sales: Represented buyers in Bartlett Mgt. Services (KFC franchise); Quality Discount Ice Cream; Nurserymen's Exchange

Out-of-court restructurings: Security Capital Assurance Ltd. and a professional sports franchise

Professional Affiliations

Board member, American Bankruptcy Institute (2019-)

Co-chair, American Bankruptcy Institute Annual Southwest Bankruptcy Conference (2014-18)

Advisory Board Member, American Bankruptcy Institute Annual Southwest Bankruptcy Conference (2011-14)

Publications

Debtor-in-Possession Financing
Funding a Chapter 11 Case
American Bankruptcy Institute (2012)

Creditor's Self-Interest Precludes Fee Reimbursement From the Estate
September 2012

First Day Motions (3d ed.)
A Guide to the Critical First Days of a Bankruptcy Case
American Bankruptcy Institute, June 2012

"Approval of the DIP Financing Order" in *Debtor-in-Possession Financing: Funding a Chapter 11 Case* (ABI 2012)

Coauthor, "The Role and Retention of the Chief Restructuring Officer," in *The Americas Restructuring and Insolvency Guide* (2008/2009)

"The Article 9 Buyer's Seller Rule & The Justification for Its Harsh Effects,"
83 *Oregon Law Review* 289 (2004)



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Gillian N. Brown

Tel: 310.277.6910 | gbrown@pszjlaw.com

EDUCATION

University of California at Berkeley (B.A., with honors, 1994)

University of California at Berkeley (J.D. 1999)

Phi Beta Kappa; Alumni Scholar

BAR AND COURT ADMISSIONS

1999, California

2008, Washington, D.C.

2010, New York

2018, Texas (inactive)

CLERKSHIPS

Law clerk, Judge William M. Hoeveler (S.D. Fla. 1999-2000)

Ms. Brown has litigated matters in California and Texas state courts, federal district courts, and federal bankruptcy courts. She is a graduate of the University of California at Berkeley and attended the Centro Studi della Boston University in Padova, Italy. At BerkeleyLaw, she was a notes & comments editor for the *California Law Review* and book review editor for the *Berkeley Women's Law Review*.

Ms. Brown's practice includes representing clients in general business litigation, including contract disputes, business tort litigation, and unfair competition actions. She has also prosecuted and defended class actions and complex litigation, defended employees and employers in employment discrimination matters, and represented both debtors and creditors' committees in bankruptcy litigation. Since 2004, Ms. Brown has represented sex abuse survivors in bankruptcy cases involving the Roman Catholic Church. Ms. Brown was named a "Southern California Super Lawyers Rising Star" every year from 2004 - 2008; named a "Southern California Super Lawyer" in 2015, 2016, 2018, 2019, and 2020; and recognized in the 2023 and 2024 editions of *Best Lawyers in America*.

She is fluent in Italian.

Representations

Business litigation: Trial verdict in excess of \$2 million in *Mortgage Lenders Network USA v. Wells Fargo Bank* (Bankr. D. Del. 2009); Trial counsel in successful litigation finding investment pool assets worth \$120 million to be property of the chapter 11 estate, *Official Committee v. Catholic Diocese of Wilmington, Inc. (In re Catholic Diocese of Wilmington, Inc.)*, 432 B.R. 135 (Bankr. D. Del. 2010)

Committees of sex-abuse survivors: Archdiocese of New Orleans; Boy Scouts of America; Madison Boys and Girls Club, Inc.; Diocese of Rockville Centre; Catholic Diocese of Spokane; Diocese of Davenport; Roman Catholic

Bishop of San Diego; Society of Jesus, Oregon Province; Catholic Bishop of Northern Alaska; Catholic Diocese of Wilmington; Archdiocese of Milwaukee; Christian Brothers of Ireland Inc. and Christian Brothers Institute; Roman Catholic Church of the Diocese of Gallup; Roman Catholic Bishop of Helena, Montana; Roman Catholic Bishop of Stockton

Class actions/complex litigation: plaintiff class in *In re Structured Settlement Litigation*; defense of FUJIFILM Holdings America Corporation

Professional Affiliations

Adjunct professor, legal studies and political science, South Puget Sound Community College (online 2020-2022)

President, Beverly Hills Bar Foundation (2014-2015)

Board of directors, Beverly Hills Bar Foundation (2011-2014)

Board of directors, Boalt Hall Alumni Association (2010-2013)

Advisory board, Western Center on Law & Poverty (2007-2012)

Member, American Bar Association Electronic Discovery Working Group (2011-2014)

Member, International Women's Insolvency and Restructuring Confederation

Publications

E-Discovery Issues
Business Credit, October 2008



780 Third Avenue
34th Floor
New York, NY 10017-2024

Brittany Mitchell Michael

Tel: 212.561.7700 | bmichael@pszjlaw.com

EDUCATION

Wesleyan University (B.A.)
University of Minnesota Law
School (J.D.)

BAR AND COURT ADMISSIONS

Minnesota
New York

Ms. Michael has successfully represented creditors' committees, debtors, and large commercial creditors in complex chapter 11 cases, including extensive experience in representing committees in mass tort bankruptcy cases such as the Diocese of Rockville Centre, Diocese of Rochester, Diocese of Buffalo, Archdiocese of St. Paul and Minneapolis, Archdiocese of Agaña, the Diocese of New Ulm, and the Diocese of Winona.

She is a 2022 IWIRC Rising Star Finalist, a recipient of the Deinard Legal Clinic Award (2019), the Advocates for Human Rights Volunteer Award (2019), and was named an "Attorney of the Year" by Minnesota Lawyer for her work in representing the creditors' committee in the chapter 11 case of the Archdiocese of St. Paul and Minneapolis.

Ms. Michael received her B.A. at Wesleyan University and earned her J.D. at University of Minnesota Law School, where she was editor in chief of *ABA Journal of Labor & Employment Law* as well as a recipient of the ABA/Bloomberg BNA Award for Excellence in Labor and Employment Law, the Minnesota Women Lawyers Equal Justice Award, and the University of Minnesota Human Rights Law Award. She is a member of the Minnesota and New York state bars.

Professional Affiliations

Member, Northeast Investors Cooperative

Treasurer, International Women's Insolvency & Restructuring Conference, Minneapolis chapter

Publications

Expanding the Integration Mandate to Employment: The Push to Apply the Principles of the Olmstead Decision to Disability Employment Services, 30 ABA Journal of Labor & Employment Law 155 (2014)

Co-author, *The United Nations Working Group on Arbitrary Detention: Procedures and Summary of Jurisprudence*, 38 Human Rights Quarterly 655 (2016)

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Debra I. Grassgreen (CA Bar No. 169978)
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[Proposed] Counsel to the Official Committee of Unsecured
Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

THE ROMAN CATHOLIC ARCHBISHOP OF
SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No.: 23-30564

Chapter 11

**DECLARATION OF JOHN W. LUCAS IN
SUPPORT OF APPLICATION OF THE
OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR ORDER
APPROVING EMPLOYMENT OF
PACHULSKI STANG ZIEHL & JONES
LLP AS COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS**

I, John W. Lucas, declare as follows:

1. I am a partner at Pachulski Stang Ziehl & Jones LLP (the "Firm"). I am duly admitted and in good standing to practice law in the State of California, as well as the United States District Court for the Northern District of California, and also the State of New York. I submit this declaration in connection with the application (the "Application")¹ of the Official Committee of Unsecured Creditors (the "Committee") in the above-captioned case (the "Case") to retain the Firm as counsel to the Committee and to provide the disclosures required under the Bankruptcy Code. I

¹ A capitalized term used but not defined herein shall have the meaning ascribed to it in the Application.

1 have personal knowledge of the facts set forth herein and, if called as a witness, I would and could
2 competently testify thereto.

3 2. Since 2004, the Firm has represented or currently represents 19 creditors' committees
4 in chapter 11 cases involving the following entities affiliated with the Roman Catholic Church:
5 Diocese of Spokane (Washington); Diocese of Davenport (Iowa); Diocese of San Diego (California);
6 Diocese of Fairbanks (Alaska); Diocese of Wilmington (Delaware); Society of Jesus, Oregon
7 Province (a five state Province); Archdiocese of Milwaukee (Wisconsin); The Christian Brothers'
8 Institute, The Christian Brothers of Ireland, Inc.; the Diocese of Gallup (New Mexico); the Roman
9 Catholic Bishop of Helena (Montana); the Roman Catholic Bishop of Stockton (California); the
10 Roman Catholic Bishop of Great Falls-Billings (Montana); Roman Catholic Church of the
11 Archdiocese of Santa Fe (New Mexico); the Diocese of Rochester (New York); the Archdiocese of
12 New Orleans (Louisiana); the Diocese of Buffalo (New York), the Diocese of Rockville Centre
13 (New York), and is currently proposed committee counsel in the Diocese of Ogdensburg (New
14 York). The Firm also represented official committees of sexual abuse survivors in the chapter 11
15 cases of USA Gymnastics, Boy Scouts of America, Madison Boys & Girls Club, Inc. and also
16 represented an official committee of unsecured creditors that included sexual abuse survivors and
17 commercial creditors in the chapter 11 case of The Weinstein Companies.

18 3. My colleagues, James Stang, Debra Grassgreen, Kenneth Brown, Brittany Michael,
19 and I are the attorneys at the Firm primarily handling the representation of the Committee in this
20 matter. True and correct copies of our biographies are attached to the Application as Exhibit A. The
21 Firm's depth of experience in the areas of insolvency, Catholic entity reorganizations, and child
22 sexual abuse-related bankruptcies makes it highly qualified to represent the Committee.

23 4. The Firm may be required to render the following services to the Committee:

- 24 • assisting, advising and representing the Committee in its consultations with the
25 Debtor regarding the administration of this Case;
- 26 • assisting, advising and representing the Committee in analyzing the Debtor's assets
27 and liabilities, investigating the extent and validity of liens or other interests in the
28 Debtor's property and participating in and reviewing any proposed asset sales, any
asset dispositions, financing arrangements and cash collateral stipulations or
proceedings;

- reviewing and analyzing all applications, motions, orders, statements of operations and schedules filed with the Court by the Debtor or third parties, advising the Committee as to their propriety, and, after consultation with the Committee, taking appropriate action;
- preparing necessary applications, motions, answers, orders, reports and other legal papers on behalf of the Committee;
- representing the Committee at hearings held before the Court and communicate with the Committee regarding the issues raised, as well as the decisions of the Court;
- performing all other legal services for the Committee which may be necessary and proper in this Case and any related proceeding(s);
- representing the Committee in connection with any litigation, disputes or other matters that may arise in connection with this Case or any related proceeding(s);
- assisting, advising and representing the Committee in any manner relevant to reviewing and determining the Debtor's rights and obligations under leases and other executory contracts;
- assisting, advising and representing the Committee in investigating the acts, conduct, assets, liabilities and financial condition of the Debtor, the Debtor's operations and the desirability of the continuance of any portion of those operations, and any other matters relevant to this Case;
- assisting, advising and representing the Committee in their participation in the negotiation, formulation and drafting of a plan of liquidation or reorganization;
- assisting, advising and representing the Committee on the issues concerning the appointment of a trustee or examiner under section 1104 of the Bankruptcy Code;
- assisting, advising and representing the Committee in understanding its powers and its duties under the Bankruptcy Code and the Bankruptcy Rules and in performing other services as are in the interests of those represented by the Committee;
- assisting, advising and representing the Committee in the evaluation of claims and on any litigation matters, including avoidance actions; and
- providing such other services to the Committee as may be necessary in this Case or any related proceeding(s).

5. Subject to the applicable provisions of the Bankruptcy Code, the Committee proposes that the Firm be paid by the Debtor on an hourly basis using its regular hourly rates (as may be adjusted from time to time) and be reimbursed by the Debtor according to its customary reimbursement policies, *provided, however*, the Firm will discount its total fees to the lesser of the amount billed using regular hourly rates and a blended hourly rate of \$1,050. The Firm has represented to the Committee that Ms. Grassgreen, Mr. Stang, Mr. Brown, Ms. Michael, and myself are the attorneys of the Firm currently expected to be principally responsible for this case, and their

1 customary hourly rates are: James I. Stang (\$1,695); Debra Grassgreen (\$1,550); Kenneth Brown
2 (\$1,525); John Lucas (\$1,150) and Brittany Michael (\$875). The Committee has been advised that
3 the hourly rate for the paralegal assigned to this case is \$545.

4 6. The Firm agreed to contribute ten percent of all fees received in this Case on a final
5 basis to a settlement trust that is approved as part of a plan of reorganization. As such fees are paid,
6 the funds will be held in a separate trust until a settlement trust is established through a plan of
7 reorganization.

8 It is the Firm's policy is to charge its clients in all areas of practice for all other expenses
9 incurred in connection with the client's case. The expenses charged to clients include, among other
10 things, telephone and telecopier toll and other charges, mail and express mail charges, special or
11 hand delivery charges, document retrieval, photocopying charges, charges for mailing supplies
12 (including, without limitation, envelopes and labels) provided by the Firm to outside copying
13 services for use in mass mailings, travel expenses, expenses for "working meals," computerized
14 research, transcription costs, as well as non-ordinary overhead expenses but not including secretarial
15 and other overtime. The Firm will charge the Committee for these expenses in a manner and at rates
16 consistent with charges made generally to the Firm's other clients, and all amendments and
17 supplemental standing orders of the Court. I believe that it is more appropriate to charge these
18 expenses to the clients incurring them than to increase its hourly rates and spread the expenses
19 among all clients.

20 7. During these Cases, individual members of the Committee will incur out of pocket for
21 expenses related to their service for the Committee (any such expenses "Committee Members'
22 Expenses"). To alleviate any problems that may arise for Committee members on account of any
23 delay in seeking and obtaining reimbursement for such expenses, the Firm proposes to pay such
24 expenses directly or reimburse the Committee members for any such expenses and then add such
25 expenses to the Firm's invoices in this Case and it shall seek allowance of such expenses on the
26 same basis as other expenses incurred by the Firm in this Case.

27 8. The Firm has represented to the Committee that (i) it will not receive a retainer and
28 (ii) it categorizes its billing into subject matter categories in compliance with applicable guidelines,

1 including the *United States Bankruptcy Court Northern District of California Guidelines for*
2 *Compensation and Expense Reimbursement of Professionals and Trustees.*

3 9. To the best of my knowledge, based on the representations in this declaration, and
4 except as stated in this declaration, the Firm is “disinterested” in that it has no connection with the
5 Debtor, its creditors, any other party in interest herein, their respective attorneys or professionals, the
6 United States Trustee or any person employed in the Office of the United States Trustee.

7 10. The Firm has made the following investigation of disinterestedness prior to
8 submitting this Declaration. The Firm has undertaken a full and thorough review of its computer
9 database, which contains the names of clients and other parties interested in particular matters. The
10 Firm requires all of its professionals, before accepting the representation of a new client, or the
11 representation of an existing client in a new matter, to perform a conflicts check through the Firm’s
12 database and to enter conflict information regarding new clients or new matters into that database.
13 Thus, a review of said computerized database should reveal any and all actual or potential conflicts
14 of interest with respect to any given representation. In particular, an employee of the Firm, under
15 my supervision, entered the name of the Committee members, counsel to the Committee members,
16 the Debtor, the Debtor’s professionals, the counsel to the top twenty creditors of the Debtor as
17 disclosed by the Debtor’s in Court filings, the Debtor’s parishes and affiliates described in the
18 *Declaration of Joseph J. Passarello in Support of Chapter 11 Petition and Debtor’s Emergency*
19 *Motions*, [Docket No. 14], the Debtor’s insurance companies, the priority creditors, trade creditors,
20 counterparties to executory contracts, and the U.S. Trustee through the Firm’s database.

21 11. PSZJ and certain of its partners, of counsel, and associates represented, represent and
22 in the future may represent creditors of the Debtor in connection with matters unrelated to the Debtor
23 and this case. At this time, the Firm is not aware of any such representations except as noted here.
24 If the Firm identifies any further such representations, the Firm shall make further disclosures as
25 may be appropriate at that time.

26 12. The Firm has represented, represents, and in the future will likely represent debtors
27 and creditors’ committees in cases unrelated to the Debtor and this case wherein one or more of the
28

1 firms representing the members of the Committee or other parties in interest serve or will serve as
2 professionals.

3 13. Certain Committee members are represented by attorneys who represent committee
4 members or creditors in several of the pending cases in which the Firm represents an official
5 committee. Except for the pending chapter 11 cases of the Diocese of Rochester, the Diocese of
6 Rockville Centre, the Diocese of Buffalo, the Diocese of Ogdensburg, the Archdiocese of New
7 Orleans and the Diocese of San Diego, the latter of which dismissed its chapter 11 case, all of the
8 enumerated cases have confirmed and effective plans. In those cases, the committees were dissolved
9 on the effective dates of their respective plans and PSZJ, in many cases, represents/represented the
10 trustee of settlement trusts under those plans. In addition, the Firm and some of the Firm's attorneys
11 periodically donate funds to organizations that advocate on behalf of sexual abuse victims and crime
12 victims.

13 14. On or about February 18, 2023, the Boy Scouts of America ("BSA") and Delaware
14 BSA, LLC filed for chapter 11 protection in the United States Bankruptcy Court for the District of
15 Delaware, Case No. 20-10343 (LSS) (the "Boy Scouts Bankruptcy Case"). On or about August 5,
16 2023, the United States Trustee named the members of the Tort Claimants Committee in the Boy
17 Scouts Bankruptcy Case. The Tort Claimants Committee in the Boy Scouts Bankruptcy Case
18 retained the Firm as counsel. On or about April 19, 2023, the effective date of the BSA plan of
19 reorganization occurred. The Firm currently represents the trustee of the settlement trust under the
20 BSA plan. Certain claims against the Debtor in this case might include claims that are subject to the
21 confirmed and effective plan in the Boy Scouts Bankruptcy Case. Any such claims do not pose any
22 conflict for the Firm's representation of the Official Committee of Unsecured Creditors in the instant
23 case.

24 15. Except as described above, and insofar as I have been able to ascertain and based on
25 the investigation described above, the Firm has no connection with the Debtor, its creditors, any
26 other party in interest herein, their respective attorneys or professionals, the United States Trustee or
27 any person employed in the Office of the United States Trustee.
28

1 16. The Firm represents Mark Shapiro, in his official capacity only, as Post-Confirmation
2 Trustee of *In re Neighbors Legacy Holdings, Inc.* (Case No. 18-33836); Mr. Shapiro is a member of
3 B. Riley, the Debtor's financial advisor, and the Firm does not represent B. Riley.

4 17. The Firm does not represent any entity having an adverse interest in connection with
5 this Case.

6 18. The Firm understands that its compensation in this Case is subject to the applicable
7 provisions of the Bankruptcy Code. There are no sharing arrangements between the Firm and any
8 other entity for fees paid or to be paid in connection with this Case, except as among partners, of
9 counsel, and associates of the Firm.

10 19. The Firm is not a creditor, or an insider of the Debtor and has no connections to any
11 insider of the Debtor.

12 20. Neither the Firm, nor any associate, of counsel, or partner of the Firm is or was,
13 within two years before the petition date, a director, officer, or employee of the Debtor.

14 21. Neither the Firm, nor any associate, of counsel, or partner of the Firm has an interest
15 materially adverse to the interest of the Debtor's estate or of any class of creditors, by reason of any
16 direct or indirect relationship to, connection with, or interest in, the Debtor, or for any other reason.

17 22. Neither the Firm, nor any of its partners, of counsel, or associates represent any
18 interest adverse to that of the Debtor or its creditors in the matters on which the Firm is to be
19 retained.

20 23. The Firm does not employ any person who is related to a judge of this Court or to an
21 employee of the Office of the United States Trustee. Each attorney at the Firm is familiar with the
22 Bankruptcy Code, Bankruptcy Rules, and applicable guidelines, and will comply with them.

23 24. Accordingly, the Firm is qualified to represent the Committee under section 1103 of
24 the Bankruptcy Code.

To the best of my knowledge, after conducting or supervising the investigation described above, I declare under penalty of perjury that the foregoing is true and correct.

Executed this 9th day of October, 2023.

/s/ John W. Lucas

John W. Lucas

James I. Stang (CA Bar No. 94435)
Debra I. Grassgreen (CA Bar No. 169978)
John W. Lucas (CA Bar No. 271038)
Pachulski Stang Ziehl & Jones LLP
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dgrassgreen@pszjlaw.com
jlucas@pszjlaw.com

[Proposed] Counsel to the Official Committee of Unsecured
Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

THE ROMAN CATHOLIC ARCHBISHOP OF
SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No.: 23-30564

Chapter 11

**DECLARATION OF STEVEN A.
MORENO IN SUPPORT OF
APPLICATION OF THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS FOR ORDER APPROVING
EMPLOYMENT OF PACHULSKI STANG
ZIEHL & JONES LLP AS COUNSEL TO
THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS**

I, Steven A. Moreno, declare under penalty of perjury as follows:

1. I am the Co-Chair of the Official Committee of Unsecured Creditors (the
“Committee”) of the above-captioned debtor and debtor in possession (the “Debtor”).

2. I submit this declaration (the “Declaration”) in support of the *Application of the
Official Committee of Unsecured Creditors for Order Approving Employment of Pachulski Stang
Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors* (the
“Application”).¹ Except as otherwise noted, I have personal knowledge of the matters set forth
herein.

¹ Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Application.

THE COMMITTEE'S SELECTION OF THE FIRM AS COUNSEL

3. The Committee chose Pachulski Stang Ziehl & Jones LLP (the "Firm") to serve as counsel to the Committee after a comprehensive review process for selecting and managing bankruptcy counsel. To that end, the Committee considered proposals from numerous law firms and interviewed four law firms. The Committee assessed potential counsel based on their expertise in the relevant legal issues and in similar proceedings. Using this review process, the Committee retained the Firm to serve as its bankruptcy counsel. I believe the Committee selected the Firm because of its extensive experience in insolvency, Catholic entity reorganizations, and child sexual abuse-related bankruptcies. Thus, I believe that the Firm is well qualified to represent the Committee in this chapter 11 case in an efficient and timely manner.

RATE STRUCTURE

4. In my capacity as Committee Co-Chair, I am responsible for supervising counsel retained by the Committee. The Firm has informed the Committee that its rates for bankruptcy representations and related litigation services are consistent with one another. The Firm has also informed the Committee that its current hourly rates apply to non-bankruptcy services, as well.

5. In connection with selecting the Firm as the Committee's counsel, the Committee and the Firm agreed that due to the unique circumstances of this case, the Firm will discount its total fees to the lesser of the amount billed using regular hourly rates and a blended hourly rate of \$1,050. The Firm has represented to the Committee that Ms. Grassgreen, Mr. Stang, Mr. Brown, Mr. Lucas and Ms. Michael are the attorneys of the Firm currently expected to be principally responsible for this case, and their customary hourly rates are: James I. Stang (\$1,695); Debra Grassgreen (\$1,550); Kenneth Brown (\$1,525); John Lucas (\$1,150) and Brittany Michael (\$875). The Committee has been advised that the hourly rate for the paralegal assigned to this case is \$545. This arrangement was the product of a negotiation that took place in the context of the Committee's law firm selection process.

6. The Firm has agreed to contribute ten percent of all fees received in this Case on a final basis to a settlement trust that is approved as part of a plan of reorganization. As such fees are

1 paid, the funds will be held in a separate trust until a settlement trust is established through a plan of
2 reorganization.

3 **COST SUPERVISION**

4 7. The Committee recognizes that it is its responsibility to monitor the billing practices
5 of counsel to ensure the fees and expenses paid by the estate remain consistent with the Committee's
6 expectations and the exigencies of the chapter 11 case. The Committee will review any invoices that
7 the Firm submits, and, together with the Firm, be sure to periodically amend any budget and staffing
8 plans to the extent necessary.

9
10 Executed this 9th day of October 2023.

11
12 

13 Steven A. Moreno, Co-Chair of the Official
14 Committee of Unsecured Creditors of Roman
Catholic Archbishop of San Francisco

James I. Stang (CA Bar No. 94435)
Debra I. Grassgreen (CA Bar No. 169978)
John W. Lucas (CA Bar No. 271038)
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jlucas@pszjlaw.com

[Proposed] Counsel to the Official Committee of Unsecured
Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

THE ROMAN CATHOLIC ARCHBISHOP OF
SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No.: 23-30564

Chapter 11

**ORDER APPROVING APPLICATION
OF THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS FOR
ORDER APPROVING
EMPLOYMENT OF PACHULSKI
STANG ZIEHL & JONES LLP AS
COUNSEL TO THE OFFICIAL
COMMITTEE OF UNSECURED
CREDITORS**

The Court has considered the *Application of the Official Committee of Unsecured Creditors for Order Approving Employment of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors* [Docket No. ____] (the "Application"), filed by the Official Committee of Unsecured Creditors in the above-captioned case (the "Committee"), and the declarations of John W. Lucas and Steven A. Moreno in support of the Application. Based upon the record before the Court, it appears that Pachulski Stang Ziehl & Jones LLP (the "Firm") does not hold or represent any interest adverse to the estate in the matters on which it is to be employed, that

1 the Firm is a disinterested person, that its employment is in the best interest of the estate, and that no
2 hearing on the Application is required.

3 **IT IS HEREBY ORDERED THAT:**

- 4 1. The Application is granted.
- 5 2. The Committee is authorized to employ the Firm as its counsel on the terms and
6 conditions set forth more fully in the Application, effective as of September 14, 2023.
- 7 3. The Firm shall be compensated as an expense of administration pursuant to sections
8 507(a) and 503(b) of the Bankruptcy Code and in accordance with sections 330 and 331 of the
9 Bankruptcy Code, the applicable Bankruptcy Rules, the rules of this Court, and such other procedures
10 as may be fixed by further order of this Court. For the avoidance of doubt, the Court's *Guidelines for*
11 *Compensation and Expense Reimbursement of Professionals and Trustees* shall apply to the retention
12 and compensation of the Firm in this case.
- 13 4. This Court retains jurisdiction with respect to all matters arising from or related to the
14 implementation of this Order.

15 ****END OF ORDER****

James I. Stang (CA Bar No. 94435)
Debra I. Grassgreen (CA Bar No. 169978)
John W. Lucas (CA Bar No. 271038)
Pachulski Stang Ziehl & Jones LLP
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Email: jstang@pszjlaw.com
dgrassgreen@pszjlaw.com
jlucas@pszjlaw.com

[Proposed] Counsel to the Official Committee of Unsecured
Creditors

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

In re:

THE ROMAN CATHOLIC ARCHBISHOP OF
SAN FRANCISCO,

Debtor and Debtor in Possession.

Case No.: 23-30564

Chapter 11

CERTIFICATE OF SERVICE

STATE OF CALIFORNIA)
CITY OF LOS ANGELES)

I, Nancy H. Brown, am employed in the city and county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 10100 Santa Monica Blvd., Suite 1300, Los Angeles, California 90067.

On October 9, 2023, I caused to be served the

- APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ORDER APPROVING EMPLOYMENT OF PACHULSKI STANG ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
- DECLARATION OF STEVEN A. MORENO IN SUPPORT OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ORDER APPROVING EMPLOYMENT OF PACHULSKI STANG ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
- DECLARATION OF JOHN W. LUCAS IN SUPPORT OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR ORDER APPROVING EMPLOYMENT OF PACHULSKI STANG ZIEHL & JONES LLP AS COUNSEL TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS

in the manner stated below:

<input checked="" type="checkbox"/>	TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document was served by the court via NEF and hyperlink to the document. On October 6, 2023, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below
<input checked="" type="checkbox"/>	(BY MAIL) I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at San Francisco, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.
<input type="checkbox"/>	(BY EMAIL) I caused to be served the above-described document by email to the parties indicated on the attached service list at the indicated email address.

I declare under penalty of perjury, under the laws of the State of California and the United States of America that the foregoing is true and correct.

Executed on October 9, 2023 at Los Angeles, California.

/s/ Nancy H. Brown
Nancy H. Brown

TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):

- **Hagop T. Bedoyan** hagop.bedoyan@mccormickbarstow.com, ecf@kleinlaw.com
- **Jason Blumberg** jason.blumberg@usdoj.gov, ustpreion17.sf.ecf@usdoj.gov
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